



TAX EXEMPT AND  
GOVERNMENT ENTITIES  
DIVISION

DEPARTMENT OF THE TREASURY

INTERNAL REVENUE SERVICE

Attn: Mandatory Review, MC 4920 DAL  
1100 Commerce St.  
Dallas, TX 75242

501.07-00

Date: July 6, 2010

Number: **201040037**  
Release Date: 10/8/2010

LEGEND

ORG = Organization name  
XX = Date Address = address

**Employer Identification Number:**  
**Person to Contact/ID Number:**  
**Contact Numbers:**

ORG  
ADDRESS

Voice  
Fax

**CERTIFIED MAIL – RETURN RECEIPT REQUESTED**

Dear :

In a determination letter dated June 19XX, you were held to be exempt from Federal income tax under section 501(c)(7) of the Internal Revenue Code (the Code).

Based on recent information received, we have determined you have not operated in accordance with the provisions of section 501(c)(7) of the Code. Accordingly, your exemption from Federal income tax is revoked effective 10/1/XX. This is a final adverse determination letter with regard to your status under section 501(c)(7) of the Code.

We previously provided you a report of examination explaining why we believe revocation of your exempt status is necessary. At that time, we informed you of your right to contact the Taxpayer Advocate, as well as your appeal rights. On 1/23/XX, you signed Form 6018-A, *Consent to Proposed Action*, agreeing to the revocation of your exempt status under section 501(c)(7) of the Code.

You are therefore required to file Form 1120, U.S. Corporation Income Tax Return, for the year ended September 30, 20XX with the Ogden Service Center. For future periods, you are required to file Form 1120 with the appropriate service center indicated in the instructions for the return.

You have the right to contact the Office of the Taxpayer Advocate. Taxpayer Advocate assistance is not a substitute for established IRS procedures, such as the formal Appeals process. The Taxpayer Advocate cannot reverse a legally correct tax determination, or extend the time fixed by law that you have to file a petition in a United States court. The Taxpayer Advocate can, however, see that a tax matter that may not have been resolved through normal channels gets prompt and proper handling. You may call toll-free and ask for Taxpayer Advocate Assistance. If you prefer, you may contact your local Taxpayer Advocate at:

If you have any questions, please contact the person whose name and telephone number are shown at the beginning of this letter.

Sincerely,

Nanette M. Downing  
Director, EO Examinations

|                                     |  |                                 |
|-------------------------------------|--|---------------------------------|
| Form <b>886A</b>                    | Department of the Treasury - Internal Revenue Service<br><b>Explanation of Items</b> | Schedule No. or<br>Exhibit      |
| Name of Taxpayer EIN:<br><b>ORG</b> |  | Year/Period Ended<br><br>20XX09 |

**LEGEND**

ORG = Organization name      XX = Date      City = city      State = state  
 President = president      VP = Vice President      Motto = motto

**ISSUE – REVOCATION**

The original assigned agent closed this case with a proposed inadequate records as there were no books and records to examine. The club closed in 20XX, and was closed at the time of the initial examination. The company that was contracted by the City of CITY, which owns the MOTTO building, was no longer doing business with the city, and the tax return preparer had retired and was answering no questions.

The case was returned by review with the advise to revoke the organization. After more research it was determined that the City of CITY had contracted the facility out to a new vendor who was going to run an upscale for profit restaurant and fitness center. The State of STATE had administratively dissolved the corporation, and had a lien filed against the organization. The actual membership of the MOTTO was dispersed, no longer met, collected dues, or had any activities. The president is currently in a nursing home in CITY, and the Vice President, VP agreed that the county club's 501(c)(7) exemption should be revoked, and signed a Form 6018. A Form 872, Statute extension was also requested, which she also agreed to, but it never has been received.